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United States Secretary of Labor*

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

MARTIN J. WALSH,
Secretary of Labor,
United States Department of Labor,

Plaintiff,

v.

KG ADMINISTRATIVE SERVICES,
INC., an Ohio corporation; KEISER
GROUP, LLC, a California limited liability
corporation; ROBERT FRAZIER, an
individual; and TRACEY KEISER, an
individual; and CHIEF EXPRESS &
LOGISTICS EMPLOYEE BENEFIT
PLAN; FDY, INC. EMPLOYEE BENEFIT
PLAN; JACOB TRANSPORTATION
SERVICES EMPLOYEE BENEFIT PLAN;
JP EXPRESS SERVICES, INC.
HEALTHCARE BENEFIT PLAN;
MERIDIAN MANAGEMENT SERVICES
EMPLOYEE HEALTH PLAN; NELLIS
CAB, LLC. OPERATIONS SERIES
EMPLOYEE BENEFIT PLAN; NPL
DEDICATED, LLC CORPORATION
EMPLOYEE BENEFIT PLAN; and
SILVER STATE REFRIGERATION,
HVAC & PLUMBING EMPLOYEE
BENEFIT PLAN.

Defendants.

Case No. 5:22cv1898CAS(MRWx)

CONSENT JUDGMENT

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1 PLAINTIFF MARTIN J. WALSH, Secretary of Labor, UNITED STATES
 2 DEPARTMENT OF LABOR, (the “Secretary”), pursuant to his authority under
 3 §§502 (a)(2) and (5) of the Employee Retirement Income Security Act of 1974
 4 (“ERISA”), 29 U.S.C. §§(a)(2) and (5), has filed a Complaint against KG
 5 ADMINISTRATIVE SERVICES, INC., an Ohio corporation (“KGA”); The
 6 KEISER GROUP, LLC, a California limited liability corporation (“TKG”);
 7 ROBERT FRAZIER, an individual (“Frazier”); and TRACEY KEISER, an
 8 individual (“Keiser”) (collectively, the “Defendants”); and CHIEF EXPRESS &
 9 LOGISTICS EMPLOYEE BENEFIT PLAN; FDY, INC. EMPLOYEE BENEFIT
 10 PLAN; JACOB TRANSPORTATION SERVICES EMPLOYEE BENEFIT
 11 PLAN; JP EXPRESS SERVICES, INC. HEALTHCARE BENEFIT PLAN;
 12 MERIDIAN MANAGEMENT SERVICES EMPLOYEE HEALTH PLAN;
 13 NELLIS CAB, LLC, OPERATIONS SERIES EMPLOYEE BENEFIT PLAN;
 14 NPL DEDICATED LLC EMPLOYEE BENEFIT PLAN; and SILVER STATE
 15 REFRIGERATION, HVAC & PLUMBING EMPLOYEE BENEFIT PLAN (the
 16 “Health Plans”), employee benefit plans within in the meaning of Employee
 17 Retirement Income Security Act of 1974 (“ERISA”) § 3(3), 29 U.S.C. 1002(3).
 18

19 A. The Secretary, KGA, TKG, Frazier, and Keiser (collectively, the
 20 “Parties”) admit that the Court has jurisdiction over this action pursuant to ERISA
 21 § 502(e)(1), 29 U.S.C. § 1132(e)(1), and that venue lies in the Central District of
 22 California pursuant to ERISA §502(e)(2), 29 U.S.C. § 1132(e)(2).

23 B. Defendants waive service of the Summons and Judgment and agree
 24 that entry of the Judgment by the Court and filing with the Clerk of the Court will
 25 constitute notice to Defendant of its terms and conditions.

26 C. The Parties agree to the entry of this Consent Judgment. The Parties
 27 further agree that this Consent Judgment shall fully settle all claims of the
 28 Secretary asserted in the Complaint filed in this matter.

1 D. Defendants waive filing an Answer and further waive entering any
2 affirmative defense, counterclaim, or third-party complaint, or any other defenses
3 that they may have in this case.

4 E. The Parties expressly waive Findings of Fact and Conclusions of Law.
5 IT IS HEREBY ORDERED, ADJUDGED, and DECREED that:

6 1. Defendant Frazier is hereby permanently enjoined and restrained from future
7 service as a fiduciary of, or service provider to, any ERISA-covered employee
8 benefit plan.

9 2. Defendant Keiser is hereby permanently enjoined and restrained from future
10 service as a fiduciary to any ERISA-covered employee benefit plan. Defendant
11 Keiser is hereby permanently enjoined and restrained from future service as a
12 service provider to any ERISA-covered employee benefit plan, except as expressly
13 stated in this paragraph. Defendants Keiser and TKG may provide participant
14 enrollment services to NV Taxi Cab Health Plan, a self-funded health plan, and
15 may provide insurance brokerage services for fully-insured employee welfare
16 plans.

17 3. Defendants agree that any Order of this court approving this Consent
18 Judgment shall be sufficient notice to them of the fiduciary and service provider
19 bars noted above.

20 4. Defendants must cease all third-party service provider operations of KGA
21 and all appearances of such operations, including the closing of all bank accounts
22 associated with providing services to ERISA-covered employee benefit plans over
23 which Keiser or Frazier have control, and the deactivation of all websites
24 associated with its services to ERISA-covered employee benefit plan operations
25 over which Keiser or Frazier have control.

26 5. For a period of two years following the entry of this Consent Judgment,
27 should anyone send (or attempt to send) money to Defendants in their role as
28 service providers or former service providers for any ERISA-covered self-funded

1 health plan, or for the accounts of KGA, TKG,¹ or CRBA, Defendants shall (1)
2 provide notice to the Secretary of the transaction or attempted transaction
3 (including the amount of money, the sender, the recipient, the name of the health
4 plan for which the money was sent, and the contact information of the employee
5 sponsor of the health plan); (2) return the money to the sender, along with a copy
6 of this Consent Judgment; and (3) notify the employee sponsor of the health plan
7 for which the money was sent, of the transaction or attempted transaction
8 (including the amount of money sent, the sender, and the recipient), along with a
9 copy of this Consent Judgment.

10 6. Defendants agree that, upon request, they shall provide to the Secretary all
11 information he requests to demonstrate compliance with this Consent Judgment,
12 without any subpoena or additional order of this Court. Defendants also agree that
13 they shall provide the Secretary with their contact information, including address
14 and phone number, any time these may change, for a period of two years following
15 the entry of this Consent Judgment.

16 7. Submissions to the Secretary required by paragraphs 4 and 5 of this Consent
17 Judgment shall be sent to the following address:

18 Regional Director Crisanta Johnson (72-037409(48))
19 Employment Benefits Security Administration
20 Los Angeles Regional Office
21 35 N. Lake Ave., Suite 300
22 Pasadena, CA 91101

23 8. Defendants are permanently enjoined and restrained from violating the
24 provisions of Title I of ERISA, 29 U.S.C. §§1001-1191c.
25

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27 ¹ The only exception to the notice required by paragraph five is for money received
28 by Defendants Keiser and TKG for participant enrollment services provided to NV
Taxi Cab Health Plan (as described in paragraph two of this Consent Judgment).

1 9. Defendants waive any and all claims of any nature which they have or may
2 have against the Secretary, the Department of Labor, or any of its officers, agents,
3 attorneys, employees or representatives, arising out of or in connection with the
4 allegations contained in the Complaint on file in this action, any other proceedings
5 or investigation incident thereto or based on the Equal Access to Justice Act, as
6 amended.

7 10. The Parties shall each bear their own costs, expenses, and attorneys' fees
8 incurred to date in connection with any stage of this proceeding, including but not
9 limited to attorneys' fees which may be available under the Equal Access to Justice
10 Act, as amended.

11 11. This Court retains jurisdiction of this action for purposes of enforcing
12 compliance with the terms of this Consent Judgment.

13 12. By signing their names to this Consent Judgment, the Parties represent that
14 they are informed and understand the effect and purpose of this Consent Judgment.

15 13. This Consent Judgment shall be binding on the Parties hereto, as well as
16 their respective successors, assigns, heirs, and representatives. This agreement
17 shall not be binding on any other person or entity, including any governmental
18 agency other than the United States Department of Labor, Employee Benefits
19 Security Administration. With respect to the United States Department of Labor,
20 nothing in this Consent judgement shall preclude the Secretary from: (a) filing any
21 amicus briefs in any case; (b) asserting any claim or filing any documents in any
22 bankruptcy case; (c) seeking immediate or ex parte injunctive relief in connection
23 with the Plan, if deemed necessary by the Secretary, in his sole discretion; or (d)
24 instituting any criminal proceeding.

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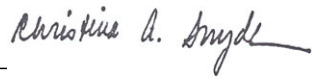
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1 14. This Consent Judgment may be executed in counterparts, each of which
2 shall be deemed to be an original, but all of which taken together, shall constitute
3 one and the same instrument.

4 Dated: October 31, 2022

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8 United States District Judge
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1 Entry of this Consent Judgment is hereby consented to:

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3 Dated: 10/31/22

4 SEEMA NANDA
5 Solicitor of Labor

6 MARC A. PILOTIN
7 Regional Solicitor

8 LAURA BREMER
9 Counsel for ERISA

10
11 /s/ Laura Bremer
12 Laura Bremer
13 Attorneys for the Plaintiff
14 US Department of Labor

15 For the Defendants

16 Dated: _____

17 KG Administration, Inc.

18 By: Robert Frazier
19 Title: Principal

20 Dated: 9/28/2022

21 The Keiser Group, LLC

22 By: Tracey Keiser
23 Title: Principal

24 Dated _____

25 Robert Frazier
26 Title: An Individual

27 Dated: 9/28/2022

28 Tracey Keiser
Title: An Individual

1 Entry of this Consent Judgment is hereby consented to:

2
3 Dated: _____

4 SEEMA NANDA
5 Solicitor of Labor

6 MARC A. PILOTIN
7 Regional Solicitor

8 LAURA BREMER
9 Counsel for ERISA

10
11 _____
12 Laura Bremer
13 Attorneys for the Plaintiff
14 US Department of Labor

15 For the Defendants

16 Dated: 09/21/22

17 KG Administration, Inc.

18 Robert Frazier
19 By: Robert Frazier
20 Title: Principal

21 Dated: _____

22 The Keiser Group, LLC

23 _____
24 By: Tracy Keiser
25 Title: Principal

26 Dated 09/21/22

27 Robert Frazier
28 Robert Frazier
Title: An Individual

Dated: _____

Tracey Keiser
Title: An Individual